

AN ACT
RELATING TO ENHANCED E911 EMERGENCY COMMUNICATION SYSTEMS, AND
PROVIDING PENALTIES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 34A.7, subsection 1, paragraph a, Code 2013, is amended by striking the paragraph and inserting in lieu thereof the following:

a. To encourage local implementation of E911 service, one source of funding for E911 emergency communication systems shall come from a surcharge per month, per access line on each access line subscriber, of one dollar.

Sec. 2. Section 34A.7, subsection 1, paragraph b, subparagraph (1), Code 2013, is amended to read as follows:

(1) The program manager shall notify a local exchange service provider scheduled to provide exchange access line service to an E911 service area that implementation of an E911 service plan has been approved by the joint E911 service board ~~and by the service area referendum~~ and that collection of the surcharge is to begin within sixty days.

Sec. 3. Section 34A.7, subsection 5, Code 2013, is amended to read as follows:

5. *Use of moneys in fund — priority and limitations on expenditure.*

a. Moneys deposited in the E911 service fund shall be used for the repayment of any bonds issued for the benefit of or loan made to the joint E911 service board pursuant to sections 34A.20 through 34A.22, and as long as any such bond or loan remains unpaid the surcharge shall not be reduced or eliminated. Moneys deposited in the fund shall be subject to such terms and conditions as may be contained in the relevant

bond documents, trust indenture, resolution, loan agreement, or other instrument pursuant to which bonds are issued or a loan is made, without regard to any limitation otherwise provided by law. ~~The surcharge may be increased, but shall not exceed the maximum allowed in subsection 1, upon approval of the authority upon such terms and conditions as may be contained in the relevant bond documents, trust indenture, resolution, loan agreement, or other instrument pursuant to which bonds are issued or a loan is made, as deemed necessary or prudent by the authority to secure repayment and assure marketability or a reasonable interest rate.~~

b. Moneys deposited in the E911 service fund shall be used for the following, in order of priority if paragraph "a" does not apply:

(1) Money shall first be spent for actual recurring costs of operating the E911 service plan.

(2) If money remains in the fund after fully paying for recurring costs incurred in the preceding year, the remainder may be spent to pay for nonrecurring costs, not to exceed actual nonrecurring costs as approved by the program manager.

(3) If money remains in the fund after fully paying obligations under subparagraphs (1) and (2), the remainder may be accumulated in the fund as a carryover operating surplus. ~~If the surplus is greater than twenty-five percent of the approved annual operating budget for the next year, the program manager shall reduce the surcharge by an amount calculated to result in a surplus of no more than twenty-five percent of the planned annual operating budget. After nonrecurring costs have been paid, if the surcharge is less than the maximum allowed and the fund surplus is less than twenty-five percent of the approved annual operating budget, the program manager shall, upon application of the joint E911 service board, increase the surcharge in an amount calculated to result in a surplus of twenty-five percent of the approved annual operating budget. The surcharge may only be adjusted once in a single year, upon sixty days' prior notice to the provider.~~

Sec. 4. Section 34A.7, subsection 7, Code 2013, is amended by striking the subsection.

Sec. 5. Section 34A.7A, subsection 1, paragraphs a and b, Code 2013, are amended to read as follows:

a. ~~Notwithstanding section 34A.6, the~~ The administrator shall adopt by rule a monthly surcharge of ~~up to sixty-five cents~~ one dollar to be imposed on each communications service

number provided in this state. The surcharge shall be imposed uniformly on a statewide basis and simultaneously on all communications service numbers as provided by rule of the administrator. The surcharge shall not be imposed on wire-line-based communications or prepaid wireless telecommunications service.

b. The program manager shall provide no less than sixty days' notice of the surcharge to be imposed to each communications service provider. ~~The program manager, subject to the sixty-five cent limit in paragraph "a", may adjust the amount of the surcharge as necessary, but no more than once in any calendar year.~~

Sec. 6. Section 34A.7A, subsection 2, Code 2013, is amended by adding the following new paragraph:

NEW PARAGRAPH. *Ob.* For the three-year period beginning July 1, 2013, and ending June 30, 2016, the program manager shall allocate thirteen percent of the total amount of surcharge generated to wireless carriers to recover their costs to deliver E911 phase 1 services. If the allocation in this paragraph is insufficient to reimburse all wireless carriers for such carrier's eligible expenses, the program manager shall allocate a prorated amount to each wireless carrier equal to the percentage of such carrier's eligible expenses as compared to the total of all eligible expenses for all wireless carriers for the calendar quarter during which such expenses were submitted. When prorated expenses are paid, the remaining unpaid expenses shall no longer be eligible for payment under this paragraph.

Sec. 7. Section 34A.7A, subsection 2, paragraph e, Code 2013, is amended to read as follows:

e. If moneys remain in the fund after fully paying all obligations under paragraphs "*a*" ~~through~~, "*Ob*", "*b*", "*c*", and "*d*", the remainder may be accumulated in the fund as a carryover operating surplus. This surplus shall be used to fund future network and public safety answering point improvements, including hardware and software for an internet protocol-enabled next generation network, and wireless carriers' transport costs related to wireless E911 services, if those costs are not otherwise recovered by wireless carriers through customer billing or other sources and approved by the program manager in consultation with the E911 communications council. Notwithstanding section 8.33, any moneys remaining in the fund at the end of each fiscal year shall not revert to

the general fund of the state but shall remain available for the purposes of the fund.

Sec. 8. Section 34A.7A, Code 2013, is amended by adding the following new subsection:

NEW SUBSECTION. 5. *a.* The program manager, in consultation with the E911 communications council and the auditor of state, shall establish a methodology for determining and collecting comprehensive public safety answering point cost and expense data through the county joint E911 service boards. The methodology shall include the collection of data for all costs and expenses related to the operation of a public safety answering point and account for the extent to which identified costs and expenses are compensated for or addressed through E911 surcharges versus other sources of funding.

b. Data collection pursuant to paragraph "a" shall commence no later than January 1, 2014, and shall be subject to an audit by the auditor of state beginning July 1, 2014. The program manager shall prepare a report detailing the methodology developed and the data collected after such data has been collected for a two-year period. The report and the results of the initial audit shall be submitted to the general assembly by March 1, 2016. A new report regarding data collection and the results of an ongoing audit for each successive two-year period shall be submitted by March 1 every two years thereafter. Expenses associated with the audit shall be paid to the auditor of state by the program manager from the E911 emergency communications fund established in section 34A.7A.

c. A county joint E911 service board which fails to submit expenses and costs pursuant to the methodology developed pursuant to paragraph "a" by March 31 of each year shall be allocated sixty-five cents out of the one dollar emergency communications service surcharge until March 31 of the following year. Remaining funds shall be held in the carryover operating surplus fund until the expenses and cost report is submitted by the county joint E911 service board. If the county joint E911 service board submits the expense and cost report before March 30 of the following year, the set aside funds shall be provided to the county joint E911 service board. If the county joint E911 service board fails to submit the expense and cost report within one year, funds shall revert to the carryover operating surplus fund and be used in accordance with section 34A.7A, subsection 2, paragraph "e".

Sec. 9. REPEAL. Sections 34A.6 and 34A.6A, Code 2013, are

repealed.

Sec. 10. E911 EMERGENCY COMMUNICATION SYSTEMS —
EFFICIENCIES STUDIES.

1. The homeland security and emergency management division of the department of public defense shall conduct a study to identify areas in which efficiencies of operations and expenses could be achieved with regard to E911 emergency communication systems at both the state and local level. The division shall submit a report containing the results of the study to the general assembly by July 1, 2014.

2. The homeland security and emergency management division of the department of public defense shall conduct a study to review the administration of the enhanced E911 emergency telephone communication system and expenditures associated with maintaining and operating the system commencing July 1, 2013. The study shall include an assessment of the adequacy of and necessity for the one dollar wire-line E911 service surcharge imposed pursuant to section 34A.7 and the one dollar emergency communications service surcharge imposed pursuant to section 34A.7A, and a recommendation regarding continuation of the surcharges at those levels or at a reduced level. The division shall submit a report containing the results of the study to the general assembly by January 1, 2016.

KRAIG PAULSEN

Speaker of the House

PAM JOCHUM

President of the Senate

I hereby certify that this bill originated in the House and is known as House File 644, Eighty-fifth General Assembly.

CARMINE BOAL

Chief Clerk of the House

Approved _____, 2013

TERRY E. BRANSTAD

Governor